

COUNTY OF LOS ANGELES DEPARTMENT OF AUDITOR-CONTROLLER

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August 5, 2005

TO: Supervisor Yvonne B. Burke

Second District

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: PROPOSITION A CONTRACT- PROBATION DEPARTMENT CLERICAL

SERVICES AT CENTRAL JUVENILE HALL (Board Agenda 8/9/05 Item #28)

At your request, my staff have reviewed and approved the Proposition A analysis prepared by the Probation Department which indicates that the contract is cost effective. Specifically, for the first year of the contract, the analysis indicates a cost savings of approximately 46%. The hourly rates paid to employees of the Probation contractor meet living wage requirements. The contract also includes Cost of Living Adjustments (COLAs) in accordance with Board policy.

We also asked Probation staff the reason the Department has continued to contract for these services over the past 18 years, as opposed to hiring permanent full-time County employees. Probation management indicated the Department contracts for these services because of the cost savings realized through contracting. We noted that the County salary and employee benefit costs, per the Proposition A analysis, are significantly higher than the contractor's costs to perform these services. Probation management added that should the Department decide to bring these services in-house, the Department could not do so immediately because the Department does not currently have the ordinance authority needed to hire the employees. We consulted with County Counsel who agreed that the Department's contract for clerical services meets the requirements of a Proposition A contract.

Please call me if you have any questions or have your staff contact Terri Kasman at (626) 293-1121, or Nancy Neville at (626) 293-1146.

JTM:JS:TK

c: Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich
David E. Janssen, Chief Administrative Officer
Raymond G. Fortner, County Counsel
Paul Higa, Chief Probation Officer